

1400 - Sponsor Force Accounts

General

The preferred method for accomplishing a development project under the Airport Improvement Program is by contracting out design services to a qualified engineering consultant firm and competitively bidding for a construction contract. Occasionally, Sponsor's express a desire to accomplish some or all of the work using their own work force under a force account agreement.

FAA Approval

The use of a Sponsor force account requires advance FAA review and approval. The Sponsor must justify the use of force account by demonstrating such an approach is cost beneficial and that qualified personnel are available to accomplish the work.

Standards

FAA's concurrence with the use of a sponsor force account does not negate nor diminish the Sponsor's obligation to comply with engineering and construction standards. The same quality and acceptance criteria expected of contract engineering and contract construction is required for a Sponsor Force Account.

Sponsor Force Account and Contract Construction

Some Sponsors have in the past requested that a portion of the work be accomplished under a sponsor force account, while the remaining work is accomplished under contract construction. We caution Sponsors that use such an approach that they could impact the warranty of the construction contractor's work and unintentionally incur liability.

As an example, consider an airfield pavement project where the Sponsor accomplishes work associated with subgrade preparation and a construction contractor accomplishes the actual paving. If the pavement starts exhibiting premature distress such as cracking, the contractor will likely be able to place blame with the subgrade preparation. The sponsor could thus potentially incur liability for the failed pavement without recourse to the AIP program.

Reimbursement

Reimbursement of expenses associated with a force account will be based on actual expenses that are incurred. The Sponsor must keep accurate records that fully support all claimed costs. The Sponsor's records must be sufficiently detailed to the extent that all claim costs may be readily verified by a third party audit. Failure to maintain acceptable documentation will result in disallowance of the costs.

Payroll Documentation

OMB Circular A-87 addresses the required standards regarding time distribution and payroll documentation. Labor costs shall be documented on signed time sheets certified by a Supervisor. The time sheet should indicate all work hours of an employee and not just the hours that apply to the AIP project.

For sponsors that maintain a computerized payroll system, a sufficiently detailed report from the payroll system will likely be adequate documentation. For those Sponsors without an established time keeping record system, the following example format may be used for the duration of the project. The time sheets must bear the signature of the authorized supervisor.

Employee Name															
Job Number	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	Total
001-Normal Duties		8	5	4	4	4			2	1	1	1	1		31
002-AIP Project			3	4	4	4			6	7	7	7	7		49

1410 - Engineering Force Account

General

Under the Airport Improvement Program, the preferred method for accomplishing engineering design services is by contracting with a qualified engineering consultant firm. Sponsors who desire to accomplish engineering design using their own work force must seek FAA review and approval prior to commencing work.

The Sponsor must justify the use of force account by demonstrating that such an approach would be cost beneficial and that qualified personnel are available to accomplish the work. The qualification criteria used in the selection process of a consultant engineer similarly applies to force account engineering.

Design Standards

FAA's concurrence with the use of a sponsor force account does not negate nor diminish the Sponsor's obligation to comply with engineering and design standards. The same quality and acceptance criteria expected of contract engineering services are required under a Sponsor force account.

Proposals

All proposals for Sponsor Force Accounts must be submitted in writing well in advance of the commencement of work. The proposal shall address the following:

- Justification for accomplishing the design service by force account rather than by contract.
- Estimate of costs. A derivation of costs shall be attached which indicates expected work hours, hourly rates, non-salary costs and indirect costs.
- Names and qualifications of personnel to be utilized on the force account
- Statement by the Sponsor concerning the capability of the Sponsor to perform the various tasks of design, supervision, inspections, testing as is required for the intended project work
- Statement by the Sponsor on the availability of its personnel to integrate the AIP project into their normal workload.
- Schedule that identifies critical tasks and dates for when each task will be completed.

Reimbursement

Reimbursement of expenses associated with a force account will be based on actual expenses incurred. The Sponsor must keep accurate records that fully support all claimed costs. The Sponsor's records shall be sufficiently detailed to the extent that all claim costs may be readily verified by a third party audit.

OMB Circular A-87 addresses the required standards regarding time distribution and payroll documentation. Labor costs shall be documented on signed time sheets certified by a Supervisor. The time sheet should indicate all work hours of an employee and not just the hours applied to the AIP project. For those Sponsors without an established time keeping record system, the following example format is suggested:

Employee Name															
Job Number	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	Total
001-Normal Duties		8	5	4	4	4			2	1	1	1	1		31
002-AIP Project			3	4	4	4			6	7	7	7	7		49

1420 - Construction Force Account

General

Under the Airport Improvement Program, the preferred method for accomplishing construction development is by soliciting for competitive bids and then selecting the lowest responsive and responsible bid.

Sponsor proposals to accomplish construction using their own work force require prior FAA review and approval. The Sponsor must justify the use of force account by demonstrating that it would be cost beneficial and that qualified personnel are available to accomplish the work.

Construction Standards

FAA's concurrence with the use of a sponsor force account does not negate nor diminish the Sponsor's obligation to comply with construction standards and acceptance criteria. The same quality and acceptance criteria expected of contract construction are required for a Sponsor force account.

Under an approved force account, the Sponsor is also required to maintain accurate construction records similar to that required for contract construction. As a minimum, the following information shall be recorded:

- Daily weather conditions
- Worked accomplished that day, including the exact location
- Work day count and contract time
- Estimate of percentage of physical work completed to date
- Hours worked per day
- Material delivered on-site
- Type of equipment in use
- Size of work force including presence of contractor's supervisor
- Acceptance tests conducted and results obtained
- Corrective actions taken
- Safety Plan measures implemented or modified
- Identification of critical construction issues

Proposals

All proposals for Sponsor Force Accounts shall be submitted in writing well in advance of the commencement of work. The proposal shall address the following:

- Justification for accomplishing the construction work by force account rather than by contract.
- Estimate of Force Account costs. A derivation of costs shall be attached which indicates expected work hours, hourly rates, non-salary costs and indirect costs.
- Estimate of contract construction costs. A derivation of costs shall be prepared that identifies typical items of work, quantities of work and estimate unit prices.
- A summary cost comparison between using Force Account and contract construction.
- Names and qualifications of personnel to be utilized on the force account
- Statement by the Sponsor concerning the capability of the Sponsor to perform the various tasks of design, supervision, inspections, testing as is required for the intended project work
- Statement by the Sponsor on the availability of its personnel to integrate the AIP project into their normal workload.
- Schedule that identifies critical tasks and dates for when each task will be completed.

Procurement of Material

Procurement of project material and supplies shall comply with applicable procurement standards established within 49 CFR Part 18.36.

Reimbursement

Reimbursement of expenses associated with a force account will be based on actual expenses incurred. The Sponsor must keep accurate records that fully support all claimed costs. The Sponsor's records shall be sufficiently detailed to the extent that all claim costs may be readily verified by a third party audit.

OMB Circular A-87 addresses the required standards regarding time distribution and payroll documentation. Labor costs shall be documented on signed time sheets certified by a Supervisor. The time sheet should indicate all work hours of an employee and not just the hours applied to the AIP project. For those Sponsors without an established time keeping record system, the following example format is suggested:

Employee Name															
Job Number	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	Total
001-Normal Duties		8	5	4	4	4			2	1	1	1	1		31
002-AIP Project			3	4	4	4			6	7	7	7	7		49